

**SECRET****TIN**

The output of tin in China comes largely from the Kechiu district in southeastern Yunnan, near Mengtze, and from the neighboring provinces of Kwangtung and Kwangsi. Mining and concentration are carried on by rather primitive methods and the concentrates are smelted within the country.

The Kechiu tin bearing district of Yunnan contains the most important deposits of this mineral in China. It is an area approximately 30 kilometers long by 20 kilometers wide, the most productive part lying some 5 kilometers on either side of a north/south line running from Malaka to Kafang. While there are literally hundreds of pits, caves, ponds, and underground workings scattered throughout the area, the Lao Chang, Wu Peng, and Malaka districts are the most productive.

In Yunnan, the largest single producer of cassiterite is the Yunnan Consolidated Tin Company which owns several placer and underground mines including the Malaka and Lao Chang mines. In addition to blast furnaces and refinery, this Company owns and operates the largest tin concentrating plant in China.

Annual production of Yunnan tin for the years 1939 to 1943 in metric tons is given as follows:

<u>1939</u>	<u>1940</u>	<u>1941</u>	<u>1942</u>	<u>1943(10 mos.)</u>
10,156	8,240	6,400	5,653	2,113

The most important mines or districts in Kwangsi Province are Fu Ho Chung and Ping Lo. Recent production of individual mines is not available, but the production of tin in Kwangsi Province for the years 1939 to 1943

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in metric tons is given as follows:

<u>1939</u>	<u>1940</u>	<u>1941</u>	<u>1942</u>	<u>1943(6 mos.)</u>
1,646	1,566	1,097	836	275

The tin production from mines in other provinces is not available. For the names of mines or districts and their location, see Table E and Map in SR-27.

Attached is a photostatic copy of a list of tin mines giving the name of mine or deposit, geographic location, ownership, type of mining, reserves, and available information covering normal prewar production of some of the mines. The names of the mines in this list do not necessarily correspond with the list given in SR-27, since the mines are often under different names given by the Chinese. The information, however, may be of supplementary value.

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# ANTIMONY

Most of China's antimony deposits are in Hunan Province which usually accounts for 95 per cent of the country's production. The major district is Hsin-hua where two-thirds of the Province's output is mined. The Chinese Geological Survey in 1945 reported Hunan reserves at 1,995,500 metric tons of contained metal. Normally, the ore is rich, containing from 6 to 18 per cent antimony. There are 24 major deposits in the province with the Hsi-kuang-shan mines the most important of these. In 1939 Hsi-kuang-shan mined 10,291 tons (metal content) which was more than the entire output of Mexico and approximately that of Bolivia. These mines are about 20 miles north-east of Hsin-hua. Reserves of Hsi-kuang-shan in terms of metric tons of contained metal have been estimated at 970,000 tons. Two other important deposits in Hunan are the Wu-chi near Yuan-ling with reserves of 107,000 tons, and the Pan-chi near I-yang. At the Pan-chi there are two main veins, 2,000 feet and 1,600 feet in length and varying from 1 to 25 feet wide. Average grade of ore is about 16 per cent.

Although 95 per cent of China's output has come from Hunan, several other provinces are potentially of major importance. In Kwangtung Province the Tien-tsu-ling deposit near Chu-chiang and Mai-hua-chieu near Ju-yuang each have estimated reserves of more than 500,000 tons. The Fan-ching-shan deposit near Chiang-k'ou in Kweichow Province is believed to contain over 400,000 tons of contained metal. Possibilities also exist in Kwangsi and Yunnan Provinces. Reserves of individual mines as published by the Chinese Geological Survey in 1945

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are reported in the attached table.

Mining of ore in China is chiefly by small groups in scattered workings using primitive methods. In general, little machinery and equipment is used. Most of the work is done on a contract basis to the smallest unit with many hundreds of contractors and sub-contractors engaged in mining operations simultaneously. In normal years there are about 24,000 workmen, about 17,000 of whom work underground. Generally, mining is carried out with hand drills and the ore is roughly sorted after blasting and carried to the surface in small bamboo baskets. At the surface the ore is hand sorted again and sent to a mill for concentration by gravity methods.

If economic conditions become stabilized, smelters rebuilt, and mines rehabilitated, China may again be able to dominate the world's antimony industry. However, the immediate future of the antimony industry is not bright, for demands cannot be met unless internal difficulties and the exchange problem are solved, and present political disturbances are settled.

Attached is table indicating the principal antimony mines, or deposits, their location, and the name of the province in which they are found. Current production of individual mines is not available, but production of antimony in China for the years 1939 to 1948 is given as follows in metric tons:

<u>1939</u>	<u>1940</u>	<u>1941</u>	<u>1942</u>	<u>1943</u>	<u>1944</u>	<u>1945</u>	<u>1946</u>	<u>1947</u>	<u>1948</u>
12,017 <sup>1/</sup>	8,469 <sup>1/</sup>	7,989 <sup>1/</sup>	3,510 <sup>1/</sup>	505 <sup>1/</sup>	203 <sup>1/</sup>	-	426	1,909	3,251

<sup>1/</sup> Data represent area designated as Free China during the period of Japanese occupation.

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There is also attached a photostatic copy of another list of antimony mines giving the name of mine or deposit, geographic location, ownership, type of mining, reserves, and available information covering normal pre-war production of some of the mines. The names of the mines do not necessarily correspond with the list given in the typewritten table of mines, since the mines are often under different names by the Chinese. The information, however, may be of supplementary value.

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ESTIMATED RESERVES OF ANTIMONY IN CHINA  
BY DEPOSITS 1/

(In Metric Tons of Metal)

Province	Deposit	Locality	Reserves	Total for Province
Hunan	Hsi-kuang-shan	Hsin-hua	970,000	1,995,500
	Wu-chi	Tuan-ling	107,000	
	Hou-tung-chun	Shao-yang	75,000	
	Lung-shan	do	63,000	
	Pan-chi	I-yang	56,000	
	Kan-tsu-yuan	An-hua	28,000	
	Hua-pan-chi	do	18,000	
	Lai-tou-tsi	Tung-an	17,000	
	Lung-kou	Hsing-ning	16,000	
	Chiang-kou	do	11,600	
	Lao-chia-ping	An-hua	10,000	
	Tseng-chia-chi	Hsu-pu	8,300	
	Chiang-chi-lung	do	7,200	
	Cha-tsu-kou	An-hua	7,000	
	Kuang-in-tang	Hsu-pu	6,400	
	Mou-tzu-ling	Hsin-hua	6,300	
	Wang-chia-chung	I-yang	6,000	
	Huang-chung	Tung-an	2,200	
	Hsi-chung	I-yang	500	
	Others		580,000	
Kwangtung	Tien-tzu-ling	Chu-chiang	554,000	1,183,000
	Mai-hua-chien	Ju-yuang	629,000	
Kwangsi	San-cha-ho	Ho-ch'ih and	5,300	66,560
	Chien-chu-po	Nan-tan		
	Ping-tou-shan	Chung-shan	1,260	
	Others	Tung-lan		
		Tien-yang		
		Tien-tung	60,000	
Kweichow	Ho-shao-tsai			
	Wu-feng-shan	San-ho	41,000	
	Mia-lung	do	17,000	
	Liu-chang, Kuo-tung			
	Shia-pai-cheng		6,000	
	Pa-ming	Jong-chiang	12,520	
	Shia-shan	Hsing-jen	8,750	
	Pai-ti	Ts'ao-Hene	8,640	

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**ESTIMATED RESERVES OF ANTIMONY IN CHINA**  
**BY DEPOSITS (Cont'd)**  
**(In Metric Tons of Metal)**

Province	Deposit	Locality	Reserves	Total for Province
Kweichow (cont'd)	Fan-ching-shan	Chiang-K'ou	400,000	
	Pai-peh	Jung-chiang	2,900	
	Miao-ling	Tu-shan	3,000	
	Others		10,000	509,810
Yunnan	Yu-chia-tou-chang	Ping-I		
	Kai-yuan	Wen-shan	28,000	
	Hsi-tsu	Ping-Pien	20,000	48,000
<b>Total Reserves of China</b>				<b>3,802,870</b>

1/ Pai, C.C., Geol. Survey China, Spec. Rept. 7, December 1945.

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## CHINA -- ANTIMONY DEPOSITS

Province	Name of Mine or of Deposit	Location	Latitude Deg. Min.		Longitude Deg. Min.	
Kirin	Ta-huang-kou	Tun-hua	43	14	128	13
	Wan-p'ao-ho-tzu	An-t'u	42	51	128	22
Maoming	Han-pao	An-t'u	42	401/	128	30
	(Ksi-k'uang-shan)	Hsin-hua	27	46	111	30
Hunan	(San-chien-feng)	do	27	33	111	24
	(Mao-tzu-ling)	do	27	32	111	32
	(Pei-ch'i)	do	28	09	111	45
	(Lung-shan)	Shao-yang	27	30	111	46
	(Hou-tung-ch'ung)	do	27	112/	111	28
	(Chiang-ch'i)	do	27	30	111	45
	(Fan-ch'i)	I-yang	28	29	111	56
	(Wang-chia-ch'ung)	do	28	23	111	45
	(Hsi-ch'ung)	do	28	352/	112	20
	(Liao-chia-p'ing)	An-hua	28	082/	111	39
	(Kao-tzu-yuan)	do	28	082/	111	39
	(Hua-pan-ch'i)	do	28	12	111	05
	(Cha-tzu-ch'i)	do	28	082/	111	39
	(T'ien-chuang-wan)	do	28	30	111	40
	(Ts'ung-ch'i)	do	28	082/	111	39
	(Lin-chia-ch'ung)	do	28	082/	111	39
	(Tseng-chia-ch'i)	Han-p'u	27	512/	110	40
	(Kuan-yin-t'ang)	do	27	512/	110	40
	(Chiang-ch'i-lung)	do	27	512/	110	40
	(Hu-t'ou-chai and Hsien-chiang- ch'ung)	Tung-an	26	202/	111	14
	(Heng-ch'ung)	do	26	202/	111	14
	(Chiang-k'ou)	Hsin-ning	26	312/	110	48
	(Lung-k'ou)	do	26	312/	110	48
Kwangtung	(Lo-chia-wan)	Lo-ch'ang	25	22	113	31
	(T'ien-tau-ling)	Ch'u-chiang	24	43	113	10
Kwangsi	(Fu-jung-ch'ang)	Ho-ch'ih	24	41	107	53
	(Li-t'ang)	Pin-yang	23	07	109	10
	(T'ien-ching-ling)	Wu-ying	23	07	108	19
Kweichow	(Huo-shao-chai)	Tu-chiang	25	42	108	11
	(Pa-mang)	Jung-chiang	25	46	108	26
	(Yan-ching-shan)	Chiang-k'ou	27	55	108	51
	(Miao-lung-ch'ang)	San-tu	26	03	107	58
Yunnan	(Tu-pi) & (Kuo-hua)	K'ai-yuan	23	36	103	07
	(Mao-shan)	Wen-shan	23	13	103	55

1/ Approximate location.

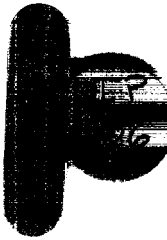
2/ Coordinates Hsien seat.

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GST  
File

Project Initiation Memorandum

Date: 19 Oct 49

To: D/NE

From: Staff Intelligence Division, Projects Planning

Subject: Foreign trade, USSR - Iran

Statement of Project

Origin: Special (OPC oral)

Problem: To answer certain specific questions on USSR - Iran trade

Scope: As indicated in attached paper

Graphics (if any):

Form: Memorandum from Iran desk to Chief, D/NE

Draft due in D/St: 19 Oct 49

Dissemination deadline  
(if any): 19 Oct 49

Responsible Branch: D/NE

Internal Coordination: None

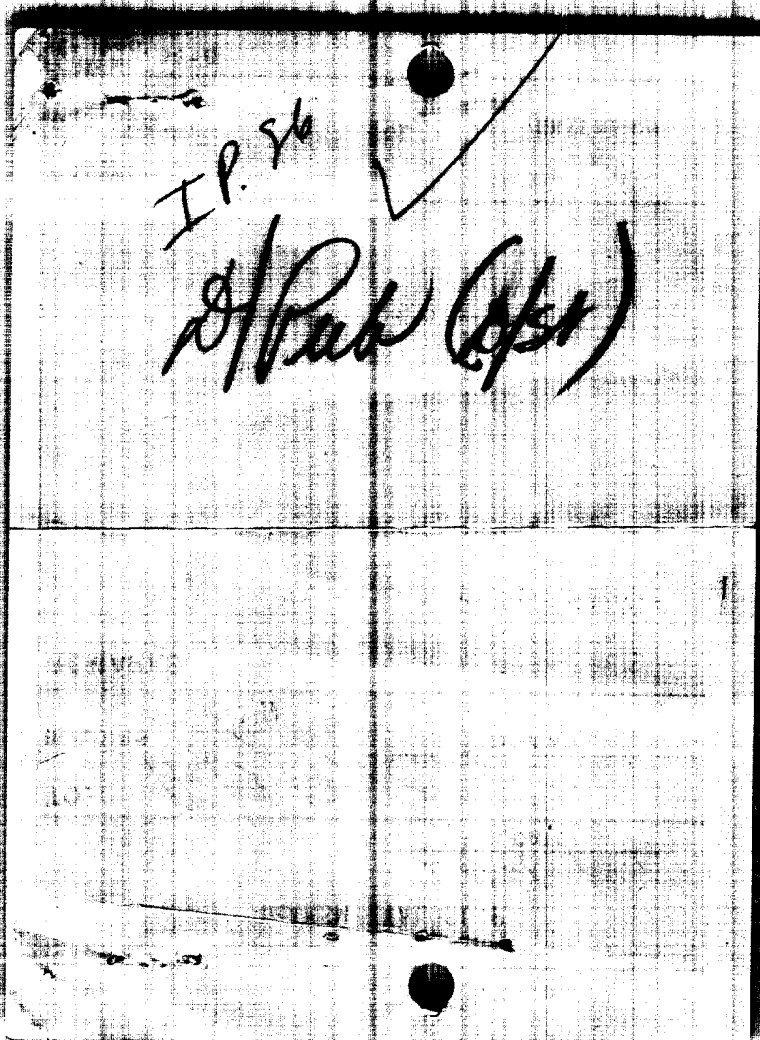
Departmental responsibilities: None

Classification to be no higher than: Secret

Recommended Dissemination: Requester only

1. USSR - For. Trade - Iran
2. Iran - For. Trade - USSR

TRANSMITTAL SLIP		
<u>20-Oct-49</u> DATE		
TO: <u>AD/ORE</u>		
BUILDING	ROOM NO.	
REMARKS:		
FROM: <u>Pub. Div.</u>		
BUILDING	ROOM NO.	EXTENSION
FORM NO. 36-8 SEP 1946		



**SECRET**

MEMORANDUM TO: CHIEF NEAR EAST AFRICA—DIVISION ONE

FROM: IRAN DESK

I Strategic minerals needed by USSR, particularly in regard to a war situation, available in Iran.

Petroleum

II Agricultural products needed by the USSR, particularly in regard to a war situation, available in Iran.

None

III USSR purchases of minerals in Iran

None

IV USSR purchases of agricultural products in Iran

live cattle, sheep and goats\* ~~skins~~,  
sheep and goat skins  
dried fruits and nuts  
rice  
grain  
tobacco  
wool

These purchases were made in a normal year, 21 March, 1946 to 20 March, 1947. For the past year and a half trade between Iran and Russia has been at a virtual standstill.

V Sources:

Annual Statistics of Iranian Foreign Commerce  
21 March, 1946 to 20 March, 1947, published by the Minister of Finance.

Annual Mineral Questionnaire of the Department of Interior, Bureau of Mines for the Iranian year 1326, 21 March, 1947 to 20 March, 1948.

19 October 1949

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CENTRAL INTELLIGENCE AGENCY

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OFFICE OF MEMORANDUM AND ESTIMATES

Project Initiation Memorandum

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Date: 25 Oct 49

To: D/EE

From: Staff Intelligence Division, Projects Branch  
**Publications**

Subject: **Volga Germans**

Statement of Project

Origin: **Special**

Problem: To provide available information on the present whereabouts and condition of the Volga Germans

Scope: All available information desired.

Graphics (if any):

Form: Memorandum to be prepared in finished form.

Draft due in D/EE: about 1 November

Dissemination to: [unclear]  
[unclear]

Responsible Branch: **D/EE**

Interim Coordination: **None**

Departmental Responsibilities: **None**

Classification to be no higher than: **Top Secret**

Access/Dissemination: **Requester only**

**SECRET**



1. USSR- Minorities
2. Germans in USSR
3. Volga German

IP-27

Subject: Available Information on Volga Germans

1. The Volga Germans, who had resided in the Volga-German ASSR prior to 1941, were moved to the Novosibirsk and Omsk Oblasts, Altai Krai and Kazakh SSR in Central Siberia in September of that year. The reason given at that time was that "tens of thousands" of Volga Germans were preparing to sabotage Soviet defense efforts at a signal from Berlin. On 7 September 1941, the "autonomous" republic ceased to exist, and the territory was divided between the Stalingrad and Saratov Oblasts.

2. The number of persons involved was never revealed, but probably between 400,000 and 600,000 individuals were moved. According to the 1939 census, the population of the Volga-German Republic was 605,542. In 1936 the Germans comprised 66.4 percent of the Republic's population, and it is unlikely that this ratio changed significantly before 1941. If the only exiles were the Germans, it would appear that at least 400,000 persons were affected.

3. Embassy Moscow received information in November 1946, that the majority of these Germans were working on collective farms. Others having been mobilized into the industrial labor force worked mainly in Sverdlovsk and Chelyabinsk. During the war a large number of this laboring contingent died from inadequate food and generally poor living conditions. No information on the present condition or numbers of those on the collective farms is available, but the rigorous climate and conditions of life in the areas where they were settled must have taken a toll.

4. The migration was forced and occurring in wartime, of course, entailed many hardships, but it is significant that concessions, unusual in the USSR, were made in the conditions of migration. The Germans were notified of the intended move beforehand; they were permitted to take with them up to

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two tons of their possessions; once they had arrived in Siberia they were apparently restricted only by the requirement that they remain in the immediate locality. Evidently their high level of skilled labor made the Volga-Germans valuable to the USSR despite the security risk of their German background.

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**SECRET**

25X1A

**Project Initiation Memorandum**

25 Oct 49

**D/NE**

**PUBLICATIONS**

**Subject: Possibility of transportation of Iranian oil to the USSR**

**Statement of Project**

**Project: Special**

**Problem: To provide information on the utilization of Iranian oil and oil products by the USSR, with especial emphasis on transportation of Iranian oil to the USSR**

**Note:** This request has already been filled by D/NE which provided requester with a carbon copy of its contribution to a JIG paper requested in JIG 278/2/M dated 21 May 1948.

25X1A **Note:** It was ascertained that [redacted] on 25 Oct that there would be no JIG objection to this info being loaned to OPC.

**Condition (if any):** A map was included

**Transmittal:** Transmittal of carbon copy on loan basis.

**Date:** 25 Oct

**Dissemination:** [redacted]

25 Oct

**Responsible Branch:** D/NE

**Required Coordination:** None

**Administrative responsibilities:** None

**Classification:** Top Secret

**Requester only**

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24 October 1949

25X1A

MEMORANDUM FOR: [REDACTED]

SUBJECT : Possibility of transportation of  
Iranian oil to the USSR

1. ORE study or any other concerning possible utilization of Iranian oil and oil products by the USSR with special emphasis on the possibility of transportation of Iranian oil to the USSR. An authoritative statement on the impossibility of such oil shipment would be satisfactory.

25X1A

[REDACTED]  
Chief, Intelligence Research

Reference: Case No. 473

(TS)

100-100000/2/1 21 May 48

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AD/ORE

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IP-29

**SECRET**

MEMORANDUM

25 Oct 49

D/LA

Publications Division Projects Planning REL

Subject: Albanian cultural society of Argentina

Statement of Project

Reason: Special

Problem: To provide any available information on the Albanian Cultural Society of the Argentine, Sons of Albania.

Answer: Report should include:

leadership  
aims  
general history  
accomplishments

Proposed Action:

Memorandum m, of which Division/LA will prepare final draft

Time: as early as possible earliest convenience

Responsible branch: D/LA

Int. Communism group, D/EE

Departmental responsibilities: None

Classification: Top Secret

Requester only

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25 1949  
AD-21

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24 October 1949

MEMORANDUM FOR: COLONEL HITCHCOCK

SUBJECT : Albanian Cultural Society of the  
Argentine, Sons of Albania

1. Any available information on this organization is requested; its leadership, aims, general history, and any accomplishments that it may have effected. This group is apparently Communist inspired as it recently protested to our Paris legation against recent Greek provocations and aggressive aims against Albania.

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Chief, Intelligence Research

Reference: Case No. 390

REL  
D/PJb  
(Please return this  
memo to D/PJb)

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Chief, Publications Division (Attn: [REDACTED])

25X1A

28 October 1949

Chief, LA Division

Albanian Cultural Society of the Argentine, Sons of Albania

REFERENCE: IP-29

STATSPEC

STATSPEC

1. D/LA has been unable to locate any information on the Albanian Cultural Society of Argentina other than that in [REDACTED]

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2. [REDACTED] of the Albanian Desk, D/EE, is of the opinion that the Albanian Cultural Society of Argentina may be a communist-dominated organization, but that it is not far left in its convictions. Doubtless, it is nationalist in spirit and is supporting a government in Albania about which it knows little.

3. The following information located by D/LA may be of significance:

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"Certain selected pro-Cominform Slav Communists have been traveling for some time from Argentina to Albania, at times via Italy, for the purpose of participating in a projected coup d'etat against Tito." (Reference: [REDACTED])

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25X1A

"ALBANIAN REPATRIATES FROM AUSTRALIA AND ARGENTINA - Prepared by [REDACTED] -- The Information Bulletin of the Albanian Legation at Belgrade published on November 14, 1948, an account of the repatriation of Albanians from Australia and Argentina. It is estimated that more than 1,000 Albanians emigrated to Argentina to work in the metallurgical and meat-packing industries, but no figures were given on the number of returnees from that area. Groups of expatriates..founded patriotic organizations towards the end of the war... 'Children of Free Albania' in Argentina. Repatriates, theoretically interviewed by an Albanian newspaper, were highly critical of conditions in...Argentina and expressed their pleasure in having returned as well as their loyalty to the Hoxha government. The repatriates were also quoted as protesting their treatment by the authorities during their travel in transit through Yugoslavia. The 'interview' emphasized the repatriates' favorable impression of the new Albania." [REDACTED]

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4. The following sources were consulted by D/LA:

a. D/LA Argentine Desk Files:	3144.0120	Slav Communism
	3161.0700	Cultural Relations with other countries
	3165	Foreign Relations with Slav States
	5107	Cultural Movements - General

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TO:

Chief, Publications Division (Attn: [REDACTED])

28 October 1949

- b. OGD Biographic: This office checked their files, initiated a CIA Library investigation, and consulted the State Department. Reportedly State spent three hours in research and did not once locate even the name of the organization in question.
  - c. D/EE (Albanian Desk and the International Communism Desk)
  - d. D/LA (Inter-American Division)
5. Period of investigation: 1 day.

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CS. Anne  
A. File

25X1A

Standard Intelligence Memorandum

Date: 26 Oct 49

D/WE

*Applications*

Division, Projects Planning (REL)

Subject: Soviet capabilities for subversion in Austria

Statement of Project

Origin: Special

Problem: To provide information bearing upon Soviet capabilities for subversive activity in Austria

Scope: Information is requested under four heads:

1. Subversive activities
  - a. Present
  - b. Post-treaty capabilities

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(1)

2. Soviet Armed guards (Werksschutz)
3. Structure and current leadership of Austrian CP
4. Names of recent deserters and defectors from SovZone Austria who might of of value in intelligence or PW

Examples (if any):

Final draft of memo to be prepared by D/WE

Draft due in D/WE: earliest convenience

Responsible branch: D/WE

Interagency Coordination: D/WE where necessary

Administrative responsibilities: None

Classification to be no higher than: **Top Secret**

Dissemination: Requirer only

IP-30

IP-30

Approved For Release 1999/09/27 : CIA-RDP79T01049A000100030004-0

**SECRET**

25 October 1949

25X1A

MEMORANDUM FOR: [REDACTED]

SUBJECT : Information on Austria

1. It is requested that information be furnished on the following:

a. Russian subversive activities in Austria, and capabilities for such activities after completion of the Peace Treaty and the withdrawal of occupying troops. Especially interested in [REDACTED]

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b. Names of recent deserters and defectors from the Soviet Zone in Austria who might be of intelligence value or who could be used in psychological warfare.

c. A report on the Soviet Armed Guards (Werkschutz)

d. Structure and current incumbents of the Austrian Communist Party.

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[REDACTED]  
Chief, Intelligence Research

REL  
D/R/b  
(Please return this letter to D/R/b)

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Approved For Release 1999/09/27 : CIA-RDP79T01049A000100030004-0

Reference: Case No. 483

**TOP SECRET**

Chief, Publications Division

3 November 1949

Chief, Western Europe Division

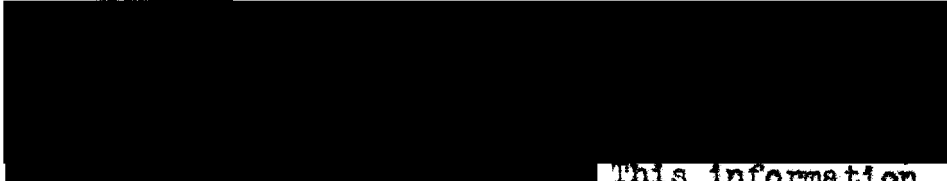
Soviet capabilities for subversion in Austria - IP-30

1. Subversive activities

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a. Present

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 This information, which is too lengthy to include in this report, will be of particular value in pointing up present Soviet-directed subversive activity in Austria.

Soviet and satellite intelligence organizations, the Communist Party of Austria, and Communist-staffed Soviet front economic organizations all function as subversive groups. Soviet occupation forces serve to a limited extent in this capacity as do individual units such as Soviet Repatriation Missions, Graves Inspection Teams, Trade Missions, etc.

Because Soviet control of eastern Austria has been comparatively mild, and because the authority of the pro-western Austrian Government has extended throughout the country since the elections in 1945, political subversion by the Soviet element, as such, has been largely confined to arrests and unilateral interpretations of the Control Agreement which have had only a limited success in undermining Austrian resistance. Subversive activity by the Soviet element has been largely concentrated in the economic field where some success has been obtained.

Through control of almost 300 firms, through Communist-staffed front organizations, and through limited interference with zonal goods traffic, the Soviet element has exerted pressure on the Austrian economy. As a result, Austrian cooperation

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with the Soviet element has increased the number of business transactions of benefit to eastern Europe which have been frequently detrimental to Austria. Not only has such cooperation been shown by private Austrians but also by some governmental officials within economic ministries of the government.

Soviet occupation of eastern Austria gives the Austrian Communist Party influence greatly in excess of that which its small numerical strength would otherwise justify. The USSR has never attempted to exploit fully the subversive potential which it has by virtue of military occupation. Because over 90% of Austrians are opposed to Communism, and because the legal influence of the Austrian Communist Party is small, Communist attempts at subversive activity have in general had little success. The Communists control no ministerial posts, their voting strength in Parliament is completely ineffectual, and the Socialist Party has successfully contained Communist attempts to influence labor. These limitations have forced the Party to confine its subversive activities to small-scale tactics such as pressuring individual workers in Soviet-controlled plants, attempting to influence isolated Works Councils and to exploiting wage-price dissatisfaction. The Party also engages in the usual intelligence and counter-intelligence work.

Communist infiltration of the police and gendarmerie is only about 10% of a total of 27,500 men; Communist members of the police have to date, been largely engaged in furthering illegal economic activity for the benefit of the USSR. The percentage of Communist infiltration is largely the result of the brief Communist control of the Interior Ministry in 1945. For

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b. Post-treaty capabilities  
Attention is invited to IM-219 Revised.

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Given timely US military aid and continued economic support, over-all Soviet capabilities for subversion in Austria will be diminished by conclusion of a treaty. A withdrawal of Soviet occupation forces, the relinquishment of the industrial enterprises now under Soviet control, and the return to Austria of control over its economy and frontiers will reduce opportunities for Soviet subversion. Conclusion of a treaty and the restoration of Austria's full sovereignty without fear of unilateral action by Soviet occupation forces will result in a further decline in Communist Party influence.

Although over-all Soviet capabilities for subversion will be curtailed by a treaty, the concurrent withdrawal of western occupation forces will result in Austrian dependence upon its own security force for maintenance of internal security. Provided that the greatest possible use is made of the period before treaty ratification in training and equipping the gendarmerie regiment in the western zones and provided that necessary equipment will be available for the initial post-treaty security force immediately upon treaty ratification, this force will be capable of maintaining internal security and of coping with Communist organizations now known to exist in Austria. There are to date no indications that the USSR intends to strengthen its position in Austria on a sufficiently large scale as to cause a revision of this estimate.

Specific Soviet economic holdings in the post-treaty period will be limited to oil and shipping, and Soviet activity will be directed largely to the exploitation of these holdings and the Communist-staffed Soviet front organizations, largely import-export firms and transportation agencies. Capabilities for subversive activity through these limited enterprises and holdings will be far less than that which the Soviet element presently enjoys. The fact that Soviet activity and holdings will be subject to Austrian law should further reduce subversive capabilities.

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In the payment of \$150 million within a six year period, Austria will be subjected to a severe economic strain and its need for outside assistance will probably be increased initially by a treaty. The USSR will undoubtedly attempt to exploit any economic deterioration in Austria and any reduction in living standards.

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## 2. Soviet Armed Guards

At present, the Werkschutz probably numbers around 2,000 to 2,500 men and appears to be engaged exclusively in guarding Soviet-controlled property. There have been no indications that this force is being augmented or used for other functions.

## 3. Structure and current leadership of the Austrian Communist Party

In general the structure of the Austrian Communist Party follows orthodox lines. The highest authority is ostensibly the Parteitag, elected by the Central Committee. The real authority is in the latter, however, which is charged with leadership and administration for the Party. The Political Secretariat executes certain decisions of the Central Committee, and is the highest authority next to the Central Committee. The lower structures of the party closely parallel the structure of the Austrian state, except in the small units. The Landes organization corresponds to that of the Land, the Bezirksleitung to that of the Bezirk. The Sektion, the Sprungel, and the Zelle (consisting usually of about 10 members) follow in order.


Overt leadership of the Party lies in Johann Koplenig, Chairman of the Central Committee; Siegfried Fuernberg, first secretary; Franz Honner, member Central Central Committee; and Franz Marek, member of the Central Committee. Of these, Fuernberg and Honner are probably the more important as actual leaders. Soviet dissatisfaction with present leadership is very probable.

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**4. Deserters and Defectors**

The names and qualifications of such persons are not made available to this office. The CIC of USPA exploits such persons and information of this nature should be sought from the Department of Army.

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